

to be shown as tax on the return is less than the amount shown as tax on such return, the penalties prescribed in paragraphs (a) and (b) of this section will be applied by substituting that lower amount.

(26 U.S.C. 5731, 6651)

§ 46.108 Interest on unpaid tax.

(a) *General.* Interest is due on unpaid special tax from the date the tax was required to be paid to the date paid. Interest will be charged for each day at the rate prescribed by law in effect on that day. Interest accruing after December 31, 1982, is compounded daily.

(b) *Adjusted interest rates.* Adjusted interest rates, determined in accordance with the procedure prescribed by 26 U.S.C. 6621(b), are announced quarterly by the Commissioner of Internal Revenue. The appropriate TTB officer will provide information, when requested, regarding interest rates applicable to specific time periods.

(26 U.S.C. 6601, 6621)

§ 46.109 Waiver of penalties.

In every case where a special tax return is not filed, or the tax is not paid, at the time prescribed in § 46.103, the delinquency penalties specified in § 46.107 for failure to file a return or for failure to pay the amount shown as tax on the return will be asserted and collected unless a reasonable cause for delay in filing the return or payment of the tax is clearly established. A taxpayer who believes the circumstances that delayed such taxpayer's filing of the return or payment of the tax are reasonable, and who desires to have the penalties waived, must submit with the return a written statement under the penalty of perjury, affirmatively showing all of the circumstances alleged as reasonable causes for delay. If the appropriate TTB officer determines that the delinquency was due to a reasonable cause and not to willful neglect or gross negligence, the addition to the tax will be waived. If the taxpayer exercised ordinary business care and prudence and was nevertheless unable to file the return within the prescribed time, or if the taxpayer made a satisfactory showing that the taxpayer exercised ordinary business care and pru-

dence in providing for payment of the tax liability and was nevertheless either unable to pay the tax or would have suffered an undue hardship if the taxpayer had paid on the due date, then the delay is due to reasonable cause. Mere ignorance of the law will not be considered a reasonable cause.

(26 U.S.C. 6651)

SPECIAL TAX STAMPS

§ 46.116 Issuance, distribution, and examination of special tax stamps.

(a) *Issuance of special tax stamps.* Upon filing a properly executed return on TTB Form 5630.5t together with the full tax remittance, the taxpayer will be issued an appropriately designated special tax stamp. If the return covers multiple locations, TTB will send to the taxpayer's principal place of business (or principal office in the case of a corporate taxpayer) one appropriately designated stamp for each location listed on the attachment to TTB Form 5630.5t required by § 46.101(b)(2).

(b) *Distribution of special tax stamps for multiple locations.* On receipt of the special tax stamps, the taxpayer must verify that there is one stamp for each location listed on the attachment to TTB Form 5630.5t and that the information on each stamp is correct. The taxpayer must then forward each stamp to the place of business designated on the stamp. Incorrect stamps must be returned to the appropriate TTB officer as provided in § 46.120.

(c) *Examination of special tax stamps.* Each stamp denoting payment of special tax must be kept available for inspection by an appropriate TTB officer during business hours at the location for which the stamp is designated.

(26 U.S.C. 5732)

§ 46.117 Lost or destroyed stamps.

If a special tax stamp has been lost or destroyed, the taxpayer must immediately notify the TTB officer who issued the stamp. A "Certificate in Lieu of Lost or Destroyed Special Tax Stamp" will be issued to the taxpayer who submits an affidavit explaining to the satisfaction of the appropriate TTB officer that the stamp was lost or destroyed. The certificate must be kept

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available for inspection in the same manner as prescribed for a special tax stamp in § 46.116(c).

§ 46.118 Certificate in lieu of lost or destroyed special tax stamp.

The provisions of this subpart relating to special tax stamps apply as well to certificates in lieu of lost or destroyed special tax stamps issued to taxpayers under § 46.117.

§ 46.119 Errors disclosed by taxpayers.

On receipt of a special tax stamp, the taxpayer must examine it to ensure that the name and address are correctly stated; if not, the taxpayer must return the stamp to the TTB officer who issued it, with a statement showing the nature of the error and the correct name or address. The appropriate TTB officer, on receipt of such stamp and statement, will compare the data on the stamp with that of the Form 5630.5t in TTB files, correct the error if made in the TTB office, and return the stamp to the taxpayer. However, if the error was in the taxpayer's preparation of the Form 5630.5t, the appropriate TTB officer will require the taxpayer to file a new Form 5630.5t, designated "Amended Return," setting forth the taxpayer's correct name and address, and a statement explaining the error on the original Form 5630.5t. On receipt of the amended Form 5630.5t and a satisfactory explanation of the error, the appropriate TTB officer will make the proper correction on the stamp and return it to the taxpayer.

§ 46.120 Errors discovered on inspection.

When a TTB officer discovers on a special tax stamp a material error in the name, ownership, or address of the taxpayer, that officer will require the taxpayer to surrender the erroneous tax stamp and prepare a new Form 5630.5t, designated "Amended Return," showing correctly all of the information required in § 46.101 and containing, in the body of the form or in an attachment thereto, a statement of the reason for requesting correction of the stamp. On receipt of the amended return and an acceptable explanation for the error, the officer will make the proper correction on the stamp and re-

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turn it to the taxpayer. However, if the error found by the TTB officer is on a special tax stamp issued as a result of a return on Form 5630.5t filed under § 46.101(b), that officer will instruct the taxpayer to return the stamp, with a statement showing the nature of the error and the correct data, to the TTB officer who issued the stamp, for correction in accordance with § 46.119.

CHANGES IN BUSINESSES HOLDING SPECIAL (OCCUPATIONAL) TAX STAMPS

§ 46.126 Change in name or address.

(a) *Change in name.* If there is a change in the corporate or firm name, or in the trade name, as shown on TTB Form 5630.5t, the taxpayer must file an amended special tax return as soon as practicable after the change, covering the new corporate or firm name, or trade name. No new special tax is required to be paid. The taxpayer must attach the special tax stamp for endorsement of the change in name.

(b) *Change in location—(1) General.* If there is a change in location of a taxable place of business, the taxpayer must, within 30 days after the change, file with TTB an amended special tax return covering the new location. The taxpayer must attach the special tax stamp or stamps for endorsement of the change in location. No new special tax is required to be paid. However, if the taxpayer does not file the amended return within 30 days, the taxpayer is required to pay a new special tax and obtain a new special tax stamp.

(2) *Procedure.* If the taxpayer's original return on TTB Form 5630.5t covered only one location, the taxpayer may deliver the amended return and the stamp at any TTB office, or to any TTB officer inspecting the business, in lieu of mailing them to TTB. If the taxpayer's original return covered multiple locations under the provisions of § 46.101(b), he or she must forward with the amended return an attachment showing both the old and new address of any place of business which has been relocated, and the special tax stamp covering the location from which the business was removed. The appropriate TTB officer receiving such return or stamp will, if the return is submitted within the 30-day period, enter the